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CENTRAL INTELLIGENCE AGENCY

31 August 1956

MEMORANDUM FOR: Acting Director of Central Intelligence

SUBJECT: Implications of the Laotian Agreement  
to Settle the Pathet Lao Problem

1. Two weeks ago the Royal Lao Government and the Pathet Lao reached an agreement on the principles for a political settlement and the reunification of Laos. The agreement calls for a cease-fire, a Lao foreign policy based on neutrality and peaceful co-existence, PL participation in the political life of the country as a legitimate party, supplementary elections for 21 new seats in the National Assembly and PL participation in a "government of national union." In implementing the agreement the critical points to be worked out are the nature and extent of PL participation in the government, the reestablishment of RLG control in the two northern provinces, and the terms for integrating the PL armed forces into the Lao National Army.

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2. RLG Position. The basic objective of the RLG is to unify the country. To this end, the Royal Government's position in the detailed negotiations will probably not be overly rigorous. Many of the RLG leaders appear to believe that the bulk of the PL, including both leaders and followers, are not "real" Communists but are misguided Laotian patriots. In any case, they tend to believe that the RLG is stronger politically and militarily than the PL and that once the integration is accomplished the RLG can deal with Communist subversive elements.

3. PL Position. The basic objective of the PL is to gain control of Laos. In view of the inability of the PL to seize control of Laos without Viet Minh military assistance and of the present emphasis of international Communism on political action and subversion, the PL is apparently intent on shifting to political tactics.

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Major Issues in Current RLG-PL Negotiations

4. Pathet Lao Participation in the Royal Laotian Government.

The RLG and PL negotiators must seek agreement as to the manner in which a "government of national union" will be formed. Although constitutionally such a government can only be formed after the PL have seats in the Assembly, it apparently would be legal for Souvanna, with Assembly approval, to name one or two PL representatives to his present cabinet. Should the PL press this position, Souvanna would probably agree and the Assembly would probably approve the inclusion of one or two PL in minor cabinet posts before elections.

5. Political Control of the Two Northern Provinces. The resumption of political control of the two northern provinces is basic to the negotiating position of the RLG. The PL on the other hand will probably be unwilling to give up effective control of its base of operations until its political position, in Laos generally, is assured. The PL leaders have invited the RLG to send a governor and a deputy to Phong Saly and Sam Neua provinces but

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have stated that at least for the present the other administrative posts will continue in PL hands. It is likely that the PL will not yield on this issue and that in the end the RLG, because of its desire for a settlement, will probably accept something like the present PL offer.

6. Integration of PL Military Forces. The RLG is apparently willing to accept integration of about 1500 PL troops into the Royal army (ANL) in the form of two 780-man battalions. Providing they can move these integrated PL forces out of the two northern provinces, the ANL leaders believe they can deal with the future problem of subversion. However, the PL will probably be unwilling to agree to the transfer of the integrated units to other areas in Laos. Negotiations on the issues will be touchy for the RLG because its army is almost entirely dependent on the US funds. The RLG will probably be willing to settle on some basis which might permit the PL forces to remain in the two provinces at least for a stipulated period.

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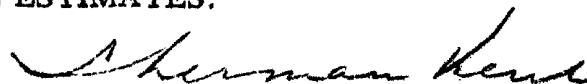
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7. If the negotiations develop in the manner described above, the RLG would achieve its objective of reunification of Laos although it would not have established effective political control in the two northern provinces. The PL, while maintaining a base of operations in the northern provinces, would have the opportunity to organize and campaign as a legal political party throughout Laos. The extent of the danger to the RLG in the terms of the settlement would depend primarily on RLG success in meeting Communist subversion and competing with the Communists on a national political level.

8. In view of the new situation developing in Laos, we recommend that the IAC authorize a new estimate for completion during the First Quarter 1957.

FOR THE BOARD OF NATIONAL ESTIMATES:



SHERMAN KENT  
Assistant Director  
National Estimates

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MEMORANDUM FOR: General Cabell

The attached memorandum has been discussed with OCI and DDP.

If you approve, we will disseminate to the IAC for action.

*SK*  
Sherman Kent

*OK. J.  
4/4/56.*

*approved  
CPC  
9/5/56*

31 August 1956  
(DATE)

FORM NO. 101 REPLACES FORM 10-101  
1 AUG 54 WHICH MAY BE USED.

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